

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

BEREA COLLEGE WATER UTILITY,)
A DEPARTMENT OF BEREA COLLEGE) CASE NOS. 8531 and 8556

O R D E R

IT IS ORDERED that Berea College Water Utility shall file an original and seven copies of the following information with the Commission, with a copy to the Attorney General's Division of Consumer Protection, by September 13, 1982. Where a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), page 2 of 5. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case will be dismissed.

Information Request No. 1

1. In comparative form, an income statement and a balance sheet for the test year and the 12-month period immediately preceding the test year.

2. The detailed workpapers showing calculations supporting all revenue, expense, and tax adjustments in the rate application, together with a detailed explanation of each component used in each calculation. Index each calculation and related explanation to the adjustment it supports.

3. A schedule of salaries and wages for the test year and each of the 5 preceding calendar years as shown in Format 3, attached. Show for each time period the amount of overtime pay.

4. A detailed analysis of advertising expenditures during the test period indicating the purpose and expected benefit of each expenditure as well as the dollar amount and specific account charged. See Format 4.

5. A detailed analysis of contributions for charitable and political purposes (in cash or services). This analysis should indicate the amount of the expenditure, the recipient of the contribution and the specific account charged.

6. An analysis of any allocation of costs between the water department and other operations of Berea College. This analysis should include a complete detailed explanation of the allocation method used and all supporting calculations.

7. Explain in detail the nature of the advances from Berea College and how the interest rate charged the water department is determined. Provide any loan documents currently in force.

8. A complete description of the fringe benefit package provided for the water utility employees.

9. An analysis of Account 930.2 - Miscellaneous General Expenses - for the test period. This should include a complete breakdown of this account as shown in attached Format 9. Also

provide an analysis of Account 931 - Rents. Provide all detailed workpapers supporting these analyses. At minimum, the workpapers should show the date, vendor, reference (i.e. voucher no., etc.), dollar amount, and brief description of each expenditure.

10. A copy of the auditor's report from your most recent audit.

11. Provide the utility's rate of return on net investment rate base for the test year and 5 preceding calendar years.

12. Provide a detailed analysis of the estimated rate case expenses totaling \$25,500.

13. Provide a detailed analysis of expenses incurred during the test year for professional services as shown in attached Format 13, and the detailed workpapers supporting the analysis. At minimum, the workpapers should show the payee, dollar amount, reference (i.e. voucher no., etc.), account charged, hourly rates and time charged to the utility according to each invoice, and a brief description of the service provided.

14. Provide a complete description of the method by which the utility calculates interest charged to construction. Provide workpapers showing the interest charged to construction during the test year and the supporting calculations.

15. Provide, for the test year, the monthly totals of gallons produced, gallons sold, water used by the utility, and line loss and other unaccounted for water.

Done at Frankfort, Kentucky, this 23rd day of August, 1982.

PUBLIC SERVICE COMMISSION

Marlin M. Vitz
By the Commission

ATTEST:

Secretary

Berea College Water Utility

Case Nos. 8531 and 8556

ANALYSIS OF SALARIES AND WAGES CHARGED TO EXPENSE
TEST YEAR ENDING MARCH 31, 1982

Line No.	Item (a)	12 Months Ended					Test Year (g)
		Calendar Years Prior to Test Year					
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
1.	Source of Supply	\$	\$	\$	\$	\$	\$
	(a) Operation						
	(b) Maintenance						
2.	Pumping						
	(a) Operation						
	(b) Maintenance						
3.	Water Treatment						
	(a) Operation						
	(b) Maintenance						
4.	Transmission and Distribution						
	(a) Operation						
	(b) Maintenance						
5.	Customer Accounts						
6.	Sales						
7.	Administrative and General						
8.	Total Salaries and Wages Charged Expense (1 thru 7)						
9.	Construction						
10.	Total Salaries and Wages	\$	\$	\$	\$	\$	\$

Berea College Water Utility

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ANALYSIS OF ADVERTISING EXPENSES

For the 12 Months Ended March 31, 1982

<u>Line</u> <u>No.</u>	<u>Item</u> (a)	<u>Sales or</u> <u>Promotional</u> <u>Advertising</u> (b)	<u>Institutional</u> <u>Advertising</u> (c)	<u>Conservation</u> <u>Advertising</u> (d)	<u>Rate</u> <u>Case</u> (e)	<u>Other</u> (f)	<u>Total</u> (g)
1.	Newspaper						
2.	Magazines and other						
3.	Television						
4.	Radio						
5.	Direct Mail						
6.	Sales Aids						
7.	Total						

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ACCOUNT 930.2 - MISCELLANEOUS GENERAL EXPENSES

For the 12 Months Ended March 31, 1982

<u>Line No.</u>	<u>Item (a)</u>	<u>Amount (b)</u>
1.	Industry Association Dues	
2.	Institutional Advertising	
3.	Conservation Advertising	
4.	Rate Department Load Studies	
5.	Water, and Other Testing and Research	
6.	Directors's Fees and Expenses	
7.	Dues and Subscriptions	
8.	Miscellaneous	
9.	Total	

Berea College Water Utility

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Professional Service Expenses

For the 12 Months Ended March 31, 1982

<u>Line</u> <u>No.</u>	<u>Item</u>	<u>Rate Case</u>	<u>Annual Audit</u>	<u>Other</u>	<u>Total</u>
1.	Legal				
2.	Engineering				
3.	Accounting				
4.	Other				
5.	Total				